

BOARD OF DIRECTORS OF RHODE ISLAND STUDENT LOAN AUTHORITY

MINUTES OF JUNE 26, 2012 CLOSED SESSION

Bruce Serchuk, a partner in the firm of Nixon Peabody in their Washington DC office addressed the board regarding the tax issues in connection with the announcement of the IRS that it intends to pursue student loan bond issuers like RISLA for moving loans from one bond trust to another, a long standing practice in the industry.

A lengthy discussion took place regarding the pending offer to all issuers to settle the issue versus challenging the IRS's interpretation. Mr. Serchuk explained the settlement process, the audit/appeal process, and the potential outcomes.

Board members requested more information from Mr. Serchuk and staff. The matter will be discussed further the next board meeting.

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